

EXHIBIT 27

INTERNAL ONLY



PBS Competitive Intelligence

Amazon (go/PBSamazon)

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How to use this document

- This is an overview of Amazon's advances in digital advertising, focused on their DoubleClick competitor from the publisher perspective
- This document provides some high-level counterpoints that Google can offer our partners, but this is not a tactical pitch deck
 - Meant as an internal-only handout / takeaway
 - Sources are in the "notes" section with links to details / additional docs
- Note: Amazon's advertising products may not yet be available in your country, but they should not be underestimated
- Amazon's secrecy makes it difficult to gain intelligence - your intel submissions are encouraged!

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Executive Summary

- Amazon may be small in absolute terms today (~\$1 billion advertising revenue projected in 2015), however it poses one of the largest potential threats to our programmatic advertising business.
- Amazon owns the best database of shopping and purchase history, which drives high-performing advertising and is a key differentiator and advantage.
- Amazon is actively building a walled garden to compete with the DoubleClick stack, and this should not be underestimated. They are especially focused on growing their Mobile App Ad Network and deepening relationships with developers through innovative programs.
- Google has key assets including scale and our full platform that can outperform Amazon and better serve the full needs of our partners.

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Amazon as a Competitor in Advertising

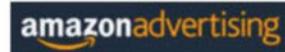
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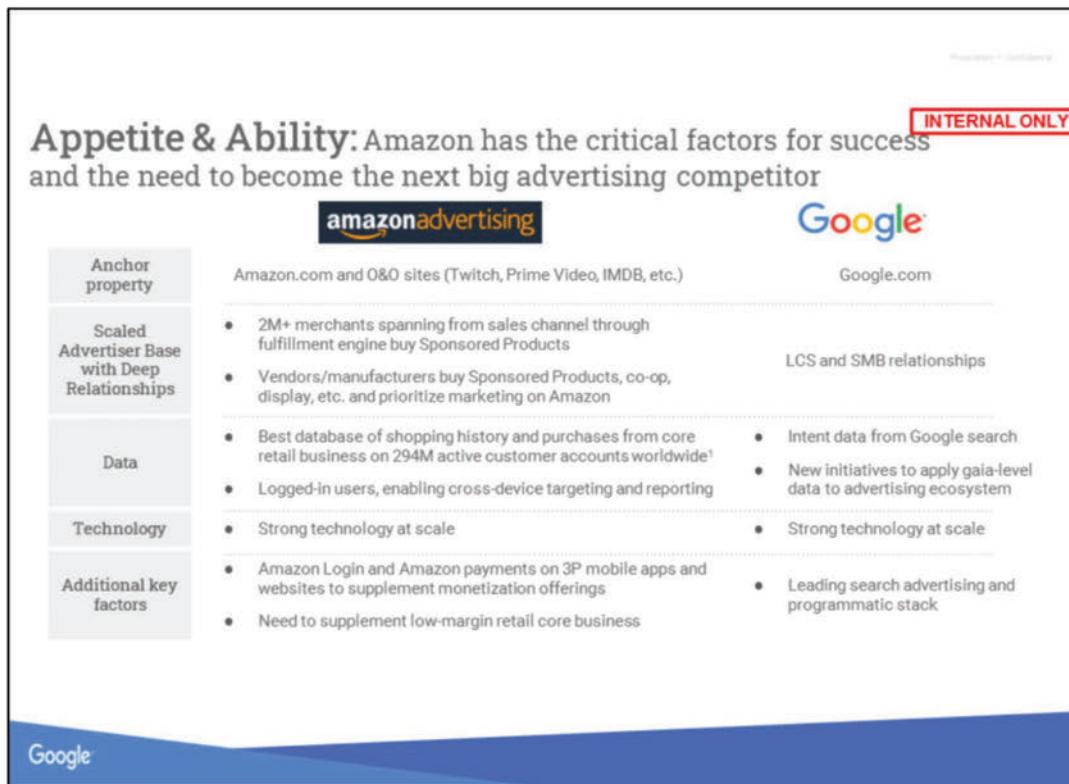
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PBS: Why focus on Amazon Ads?

- Amazon has the **appetite and need** for high-margin revenue channels to bolster their razor thin retail margins.
- Amazon has **already taken steps to create a walled garden** leveraging their **unique commerce user data** and proprietary programmatic technology.
- Amazon (and their data) **should not be underestimated**. They have immense scale and technological capabilities. Amazon is intensely focused on the long view, willing to do things no other company will do, and extremely secretive.



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¹ <https://advertising.amazon.com/#traffic>

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Steps already taken: Amazon has developed key pillars of an advertising ecosystem that can compete with DoubleClick stack

Overall Competitive Threat

- Amazon is building a burgeoning adtech solution. They are leveraging their wealth of retail/purchase intent data (which they do not share with 3rd parties) and O&O inventory to pull in e-commerce focused advertisers, including their own 3P marketplace sellers, who drive traffic to Amazon.com. Though they lack an end to end solution currently, they have a strong footprint in mobile, video, and display paired with highly sought after retail data.
- Key Assets: E-Commerce Data, Amazon O&O (Amazon.com, Twitch, Prime Video)

Product Presence

| Key Platforms | O&O | Buy-side Ad Server | DSP | Exchange | Network | Enterprise Ad Server | Publisher Ad Server |
|--|---|---|--|--|---|----------------------------|--|
| amazon advertising | Amazon.com, Twitch, Prime Video, IMDB, etc. | a9 | Amazon Advertising Platform (AAP) w/ self-serve ad buying ¹ | | Mobile Ad Network, Desktop Display Network | | Proprietary ad server |
| Google | Google.com | DCM | DBM | AdX | Search Syndication, GDN, AdMob | Google Analytics, Adometry | DFP |
| Key Product Differences | Amazon has browse and purchase history; Google has intent/search data | a9 also powers Amazon's search product ranks and other Amazon ad technology | For some buyers, Amazon has conversion / performance data on display spend | | Publisher-specific ad serving & Google syndication ² | | Amazon might eventually sell server as a product for other sites to use ³ |
| Google / Amazon Media Partnership | Amazon is an active AdWords buyer | | Amazon uses DBM to buy ads on YouTube | Amazon has AdX seat, does not share data with Google | Amazon is an AFS publisher and user of Search Syndication DLA | | Amazon stopped using DFP in Europe, likely to stop using DFP globally |

Sources: [Fact Base](#) [Document Inventory](#)

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1 <http://adage.com/article/digital/amazon-make-easier-buy-ads-serve-tool/294243/>

2 "A9's Publisher Products team is working to extend our ad serving technology to top websites and mobile apps worldwide." (screenshot, URL)

| Id | Date | Text |
|----|---------------------|---|
| 1 | 05/13/2017 17:58:37 | +chantra@google.com should this be updated to include Amazon header wrapper? |
| 2 | 05/13/2017 17:58:37 | +sleungli@google.com |

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Steps already taken: Amazon has developed competitive search advertising products that fortify their retail business

| Overall Competitive Threat | | | | | |
|--|---|--|---|---|----------------------|
| <ul style="list-style-type: none"> • Amazon leveraging their wealth of retail/purchase intent data (which they do not share with 3rd parties) and O&O inventory to pull in e-commerce focused advertisers including their own third-party marketplace sellers, who drive traffic to landing pages on Amazon.com. • Key Assets: E-Commerce Data, Amazon O&O (Amazon.com, Twitch, Prime Video) | | | | | |
| Product Presence | | | | | |
| Key Platforms | O&O | Product Ads on O&O | Product Ads Syndication | Text Ads on O&O | Text Ads Syndication |
| amazonadvertising | Amazon.com, Twitch, Prime Video, IMDB, etc. | Sponsored Products ³ | Product Advertising API ¹ available on portals ² | Sponsored Links using 3P providers (including AFS) ⁴ | n/a |
| Google | Google.com | Product Listing Ads PPA | AdSense for Shopping | AdWords | AdSense for Search |
| Key Product Differences | <ul style="list-style-type: none"> • Search ads only on Google.com • Video, display, and search ads on Amazon O&O | <ul style="list-style-type: none"> • Both brand manufacturers and Amazon sellers can bid on Sponsored Products, which stay on Amazon.com • Plus click to retailers who bid on products • PPA will allow brand manufacturers to bid on premium placement of their products in search results | <ul style="list-style-type: none"> • Amazon Product Ads available to portals • All Amazon Product Ads lead back to Amazon.com (no 3P retailer destination URLs) | | |
| Google / Amazon Media Partnership | Amazon is an active AdWords buyer | | | Amazon uses AdSense for Search as one Sponsored Links provider | |

Sources: [Fact Base](#) [Document Inventory](#)

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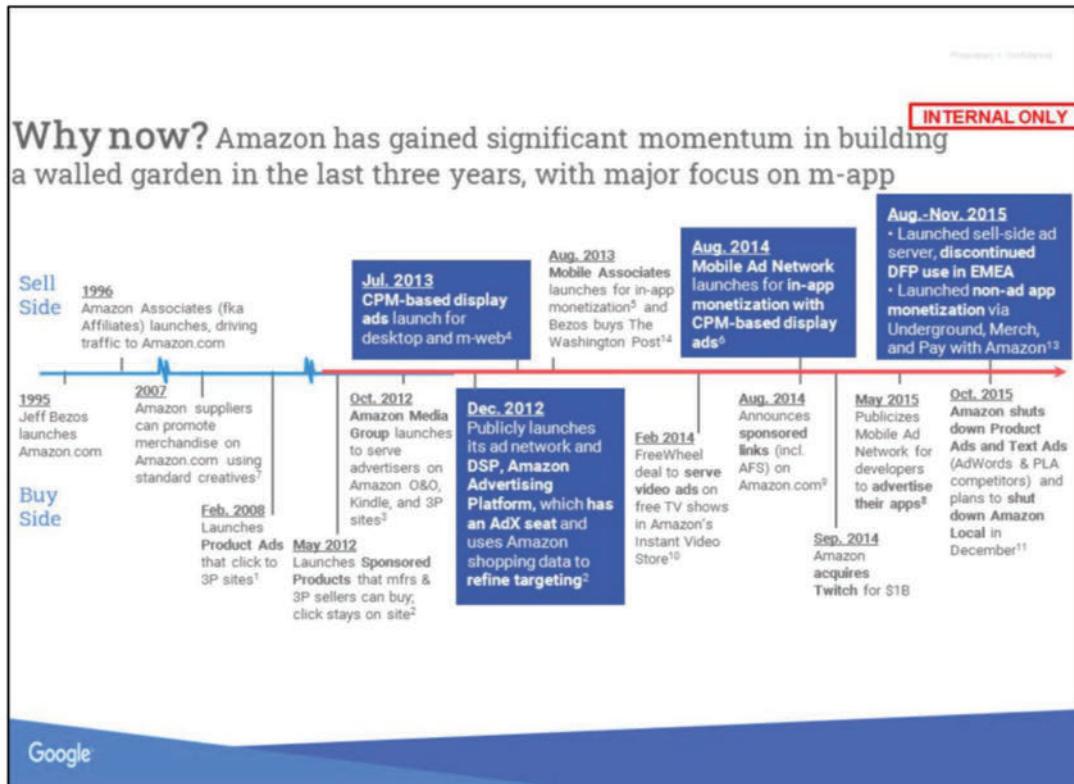
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1 Product Advertising API: http://docs.aws.amazon.com/AWSECommerceService/latest/DG/RG_Images.html

2 Portals screenshot (ask.com) with Amazon Product Ad Syndicated: <https://screenshot.googleplex.com/2sArE6cDRK>

3 Sponsored Products: <http://services.amazon.com/content/sell-on-amazon/sponsored-products.htm>

4 Sponsored Links: <http://www.amazon.com/gp/ads/whats-this.html>



1^{http://techcrunch.com/2008/02/07/amazon-quietly-launches-product-ads-secretly-wants-to-become-a-shopping-search-engine/}

2^{http://www.adweek.com/news/technology/amazon-advertisings-sleeping-giant-awaken-2013-145964?page=2}

3^{http://adage.com/article/digital/advertising-amazon-s-newest-low-price-weapon/237630/}

4^{http://techcrunch.com/2014/08/22/amazon-now-piloting-cpm-ads-with-select-amazon-associates-publishers/}

5^{http://techcrunch.com/2013/08/27/amazon-opens-its-associates-affiliate-program-to-mobile-app-developers/}

6^{https://developer.amazon.com/public/community/post/Tx2YLACM64TS0MN/Monetize-Your-App-with-Amazon-Mobile-Ads-API-and-Get-a-Kindle-Fire-HD}

7^{http://digiday.com/publishers/is-amazon-the-sleeping-giant-of-media/ and UBS, desk research, OC&C Analysis report 2014}

8^{http://techcrunch.com/2015/05/13/amazons-new-ad-platform-lets-app-developers-target-android-and-fire-users/}

9^{http://www.adweek.com/news/technology/amazon-sponsored-links-seen-direct-threat-google-adwords-159713}

10^{http://recode.net/2014/02/05/amazon-lays-foundation-for-giant-video-advertising-business/ and http://adage.com/article/digital/amazon-launches-video-ad-business-geico/291779/}

11^{http://marketingland.com/amazon-retiring-product-ads-offers-new-text-ads-as-alternative-138394 and http://www.ppchero.com/amazon-text-ads-to-be-discontinued/ and http://techcrunch.com/2015/10/30/amazon-to-exit-daily-deals-with-closure-of-amazon-local/}

12^{http://www.cpcstrategy.com/blog/2012/05/amazon-launching-sponsored-products-amazons-own-adwords-2/}

13^{https://developer.amazon.com/public/solutions/underground and https://developer.amazon.com/public/solutions/merch and https://payments.amazon.com/home}

14^{http://www.forbes.com/sites/gregsatell/2013/08/06/okay-heres-the-real-reason-why-jeff-bezos-bought-the-washington-post/}